



RIYADH CABLES GROUP

Earnings Presentation 9M-25



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Disclaimer

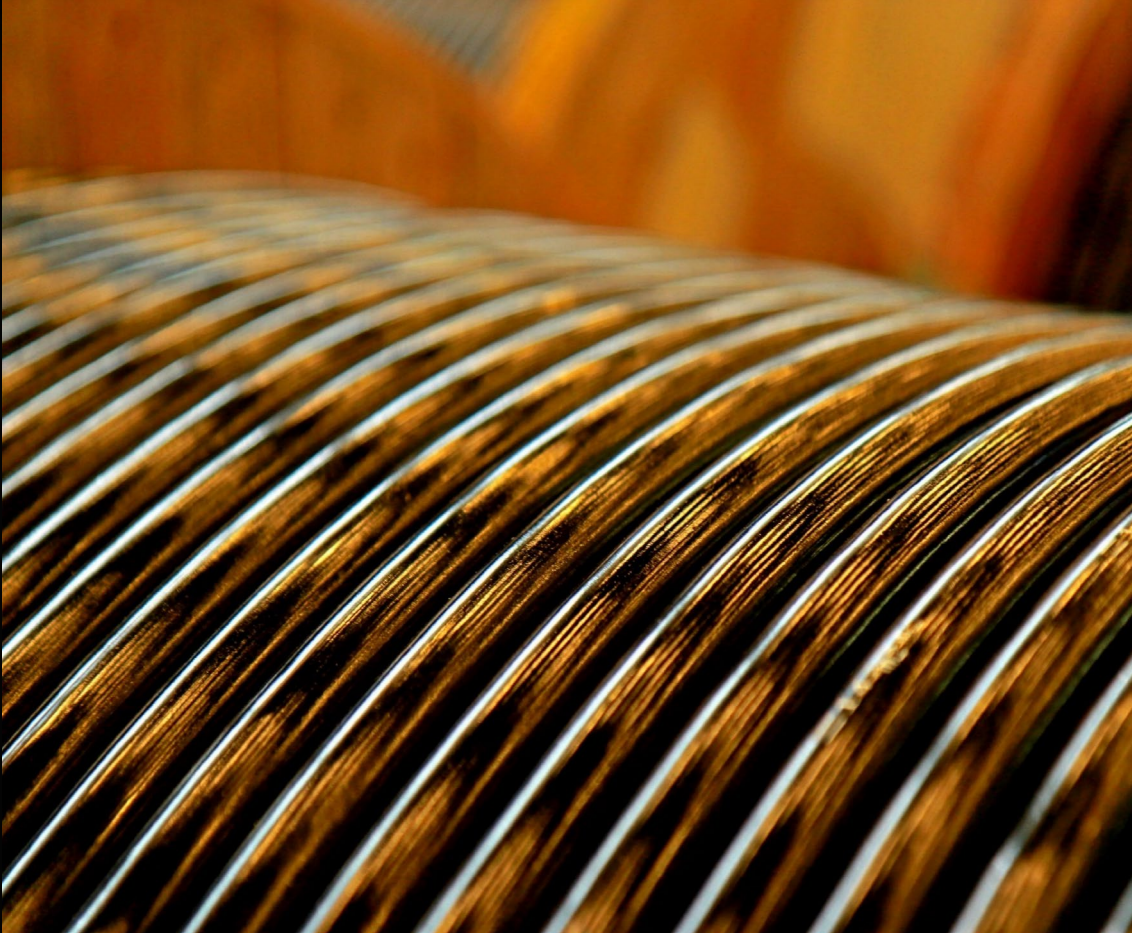


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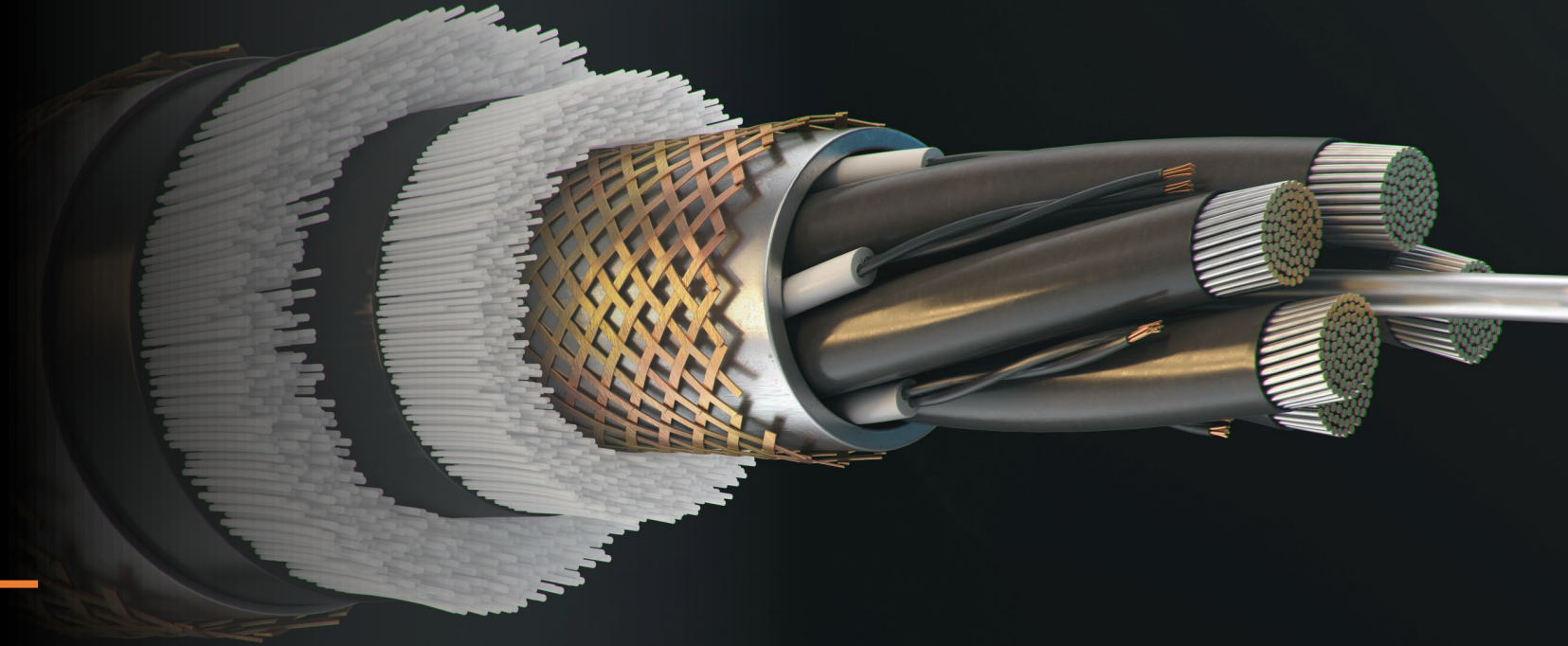
In Today's Meeting



- 01** Welcome Remarks
- 02** Company Overview
- 03** 9M-25 Performance Highlights
- 04** Financial Review
- 05** Business Strategy Refresh & Market Update
- 06** 2025 Upgraded Outlook



Company Overview



Cables are the backbone of the economy, touching every segment

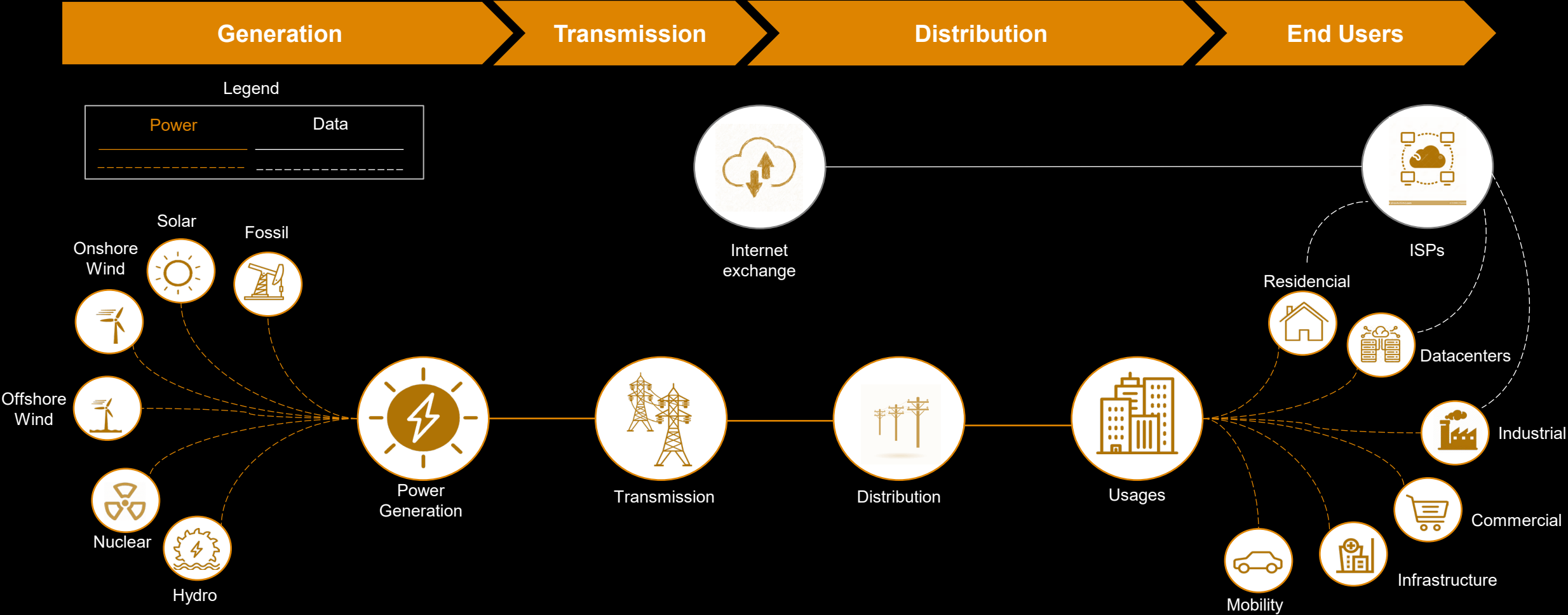
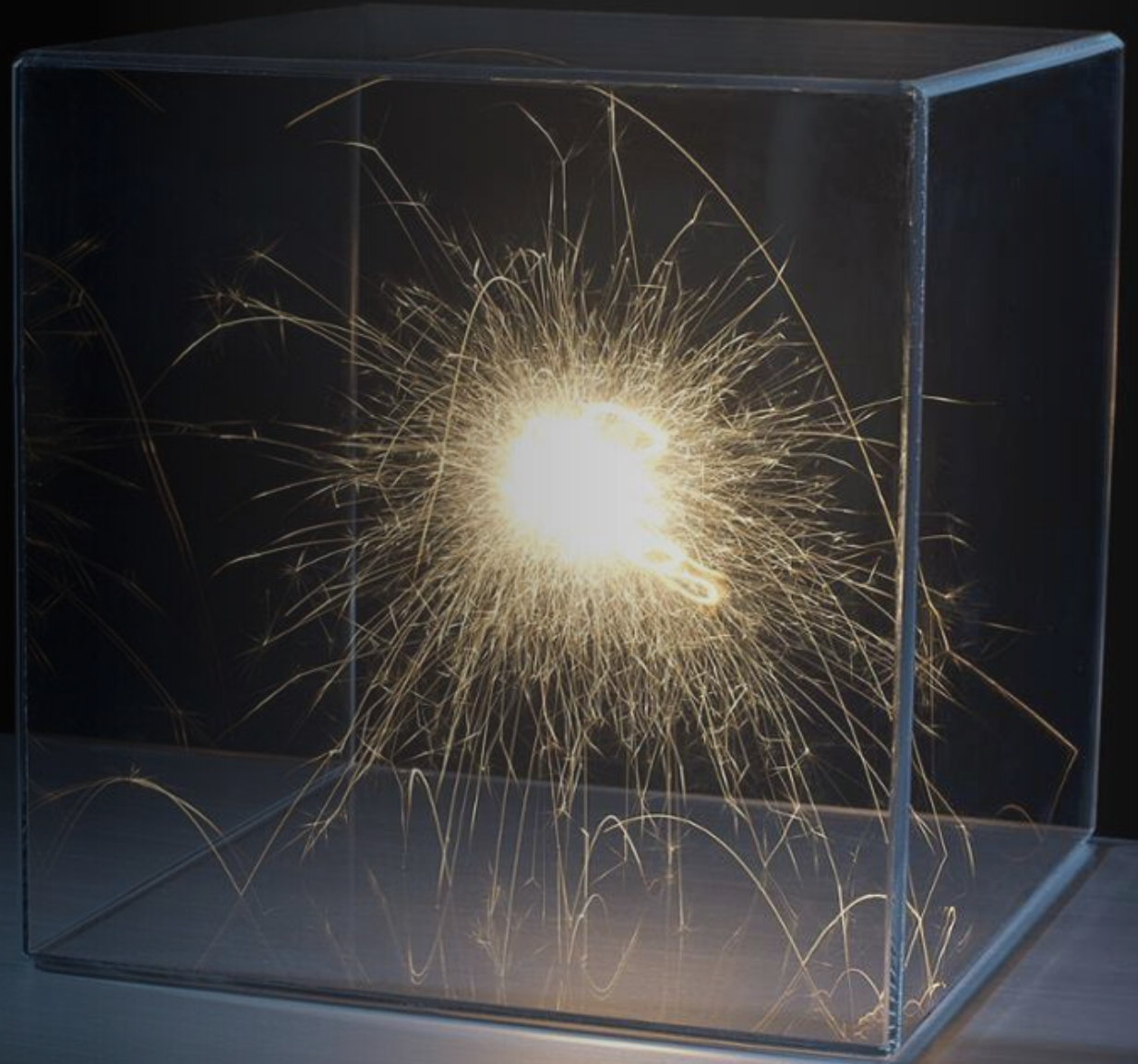


Illustration not exhaustive



9M-25 Performance Highlights



9M-25 Financial and Operational Performance Snapshot

Percentage changes refer to YoY change

SARm 7,936

Revenue
+ 21.9%

Kt 204

Sales Volume
+ 19.7%

% 97%

Utilization Rate

SAR 6,393

Gross Profit Per Ton
+ 18.7%

SARm 1,007

EBITDA
+ 37.2%

SARm 817

Net Profit
+ 45%

SARm 147

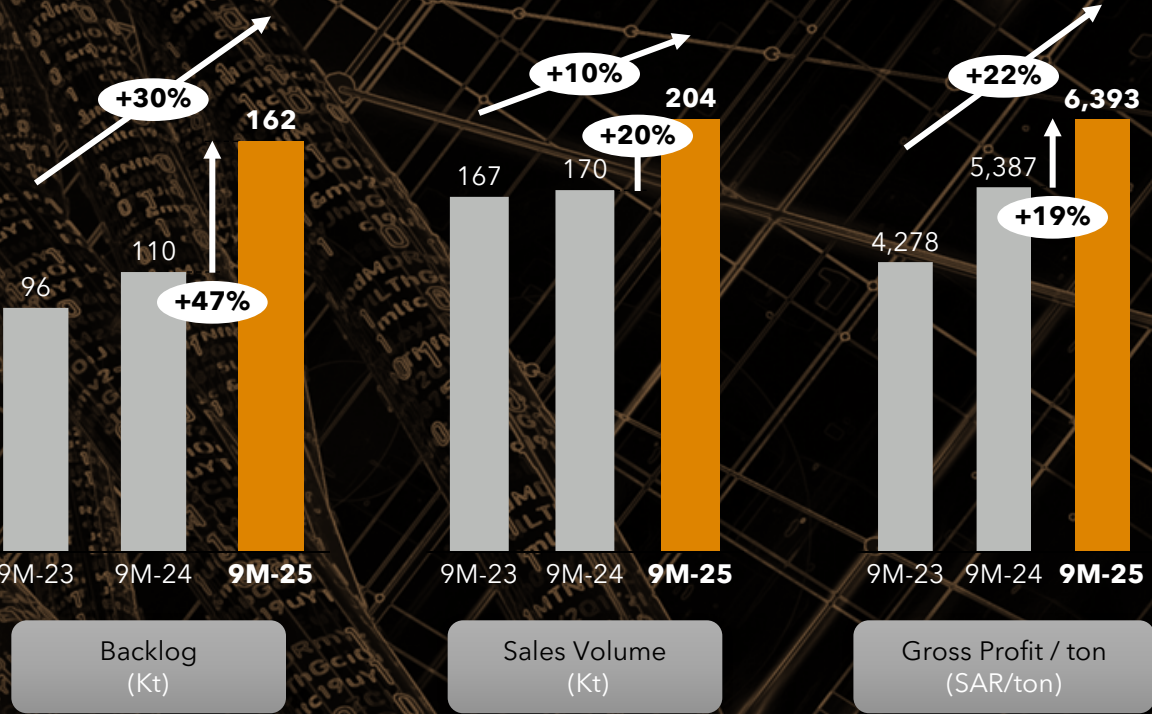
CAPEX (spent)
+ 48%

SARm 241

FCF
- 17%

X 0.16

Net D/E
- 49%



Ton = 1,000 KG



9M-25 Key Performance Drivers

Percentage changes refer to YoY change



Sales Volume

20% increase in sales volume, strong Export together with an increase in Transmission products



Revenue

Good demand-driven revenue increased by **22%**. Strong performance across all sectors in both Domestic and Export markets



Gross Profit per ton

Excellent growth, with an increase of **19%** due to better mix and operational efficiencies



Net Profit

Increased sharply by **45%** backed by stronger operating income driven by good efficiencies and firm control on SG&A



Free Cash Flow

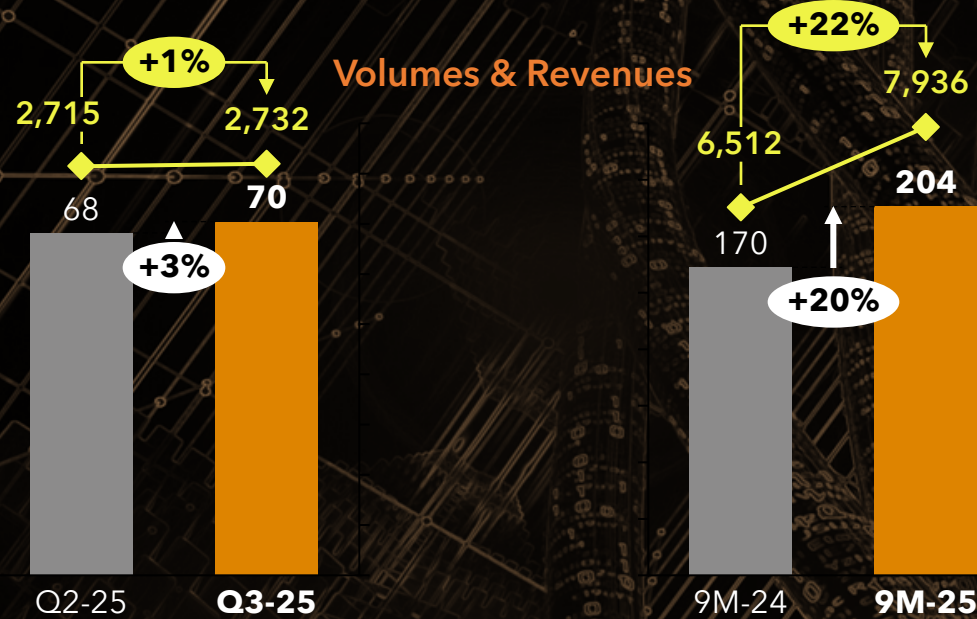
Free Cash Flow SAR **241** million, good control on working capital



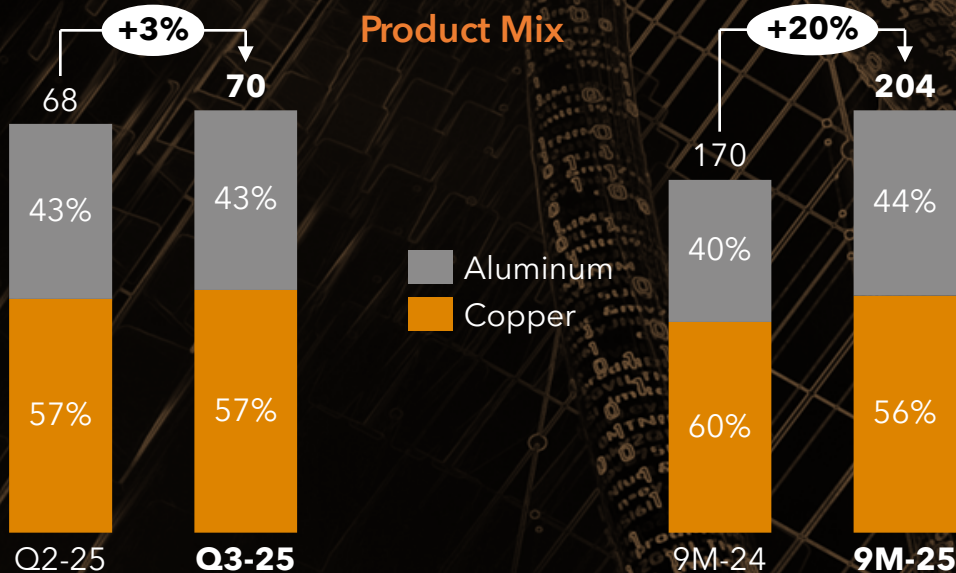
Financial Review



9M-25 Financial and Operational Performance



- 9M-25 High revenues above 7.9bnSAR, strong volume increase compared to both 9M-24 and Q3-24.
- 9M-25 Revenues characterized by strong Export demand, and solid Domestic.
- Market continues to be strong, solid backlog of confirmed orders

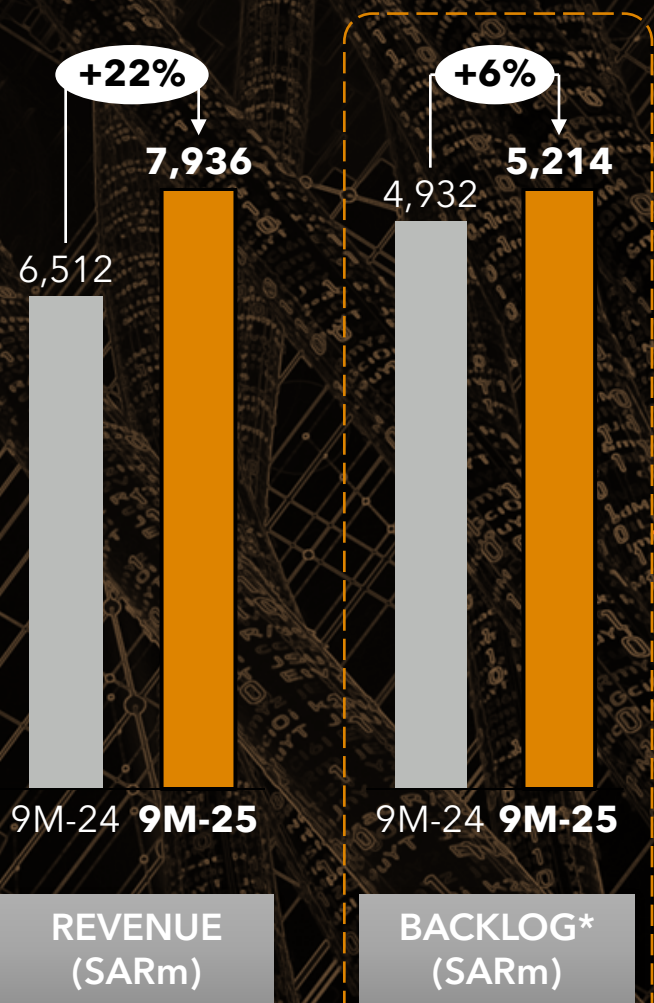


- Split between Aluminum and Copper remains balanced.
- Good volumes in Transmission products.

Backlog, Revenue, and Capacity utilization

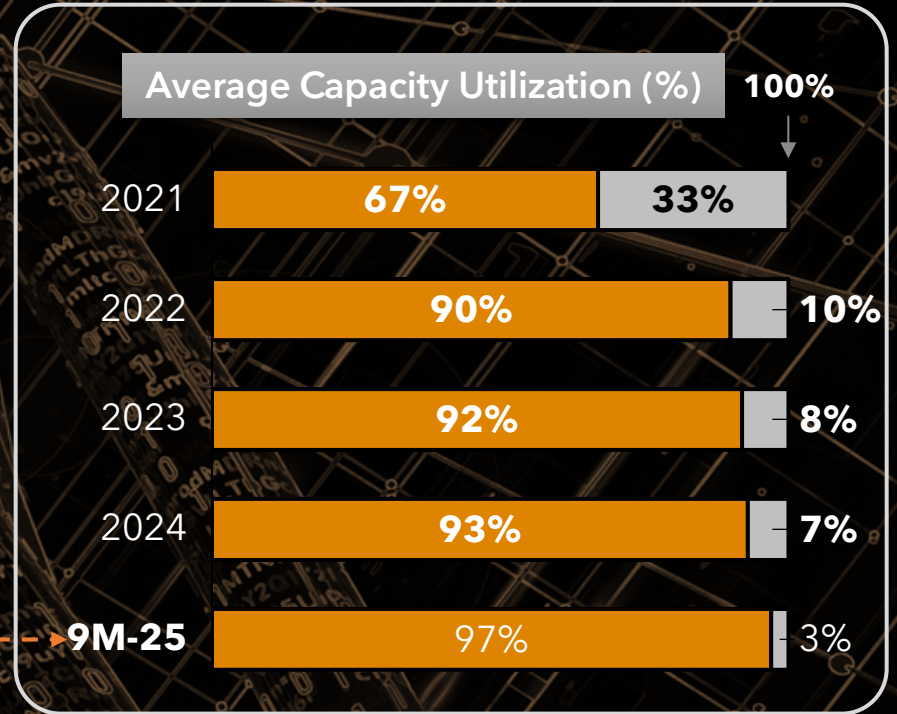
SAR 5.2 billion
Confirmed Orders
Backlog

- Backlog on the **5.2 bn SAR (162kT)**.
- Capacity reserved mostly for Transmission/Export.



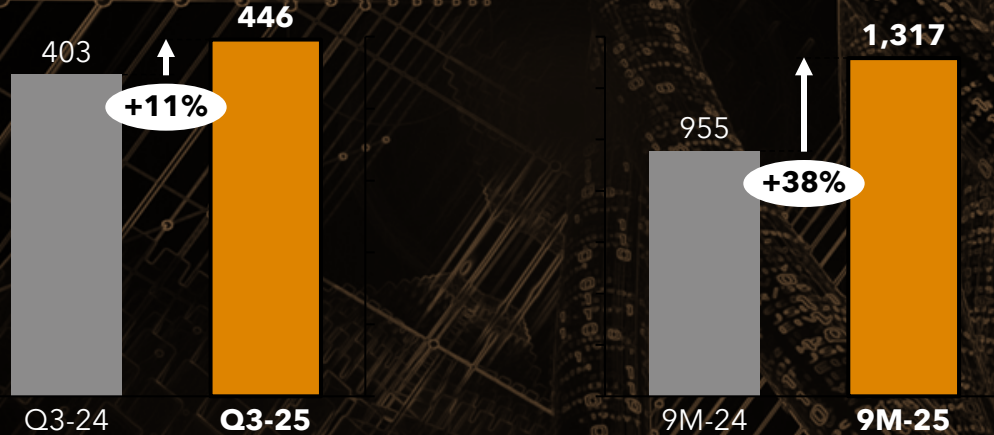
*Confirmed orders

*Strong backlog in 9M-25,
utilization rate to 97%*



Gross profit and EBITDA show healthy improvement on better mix and successful variable / fixed cost optimization

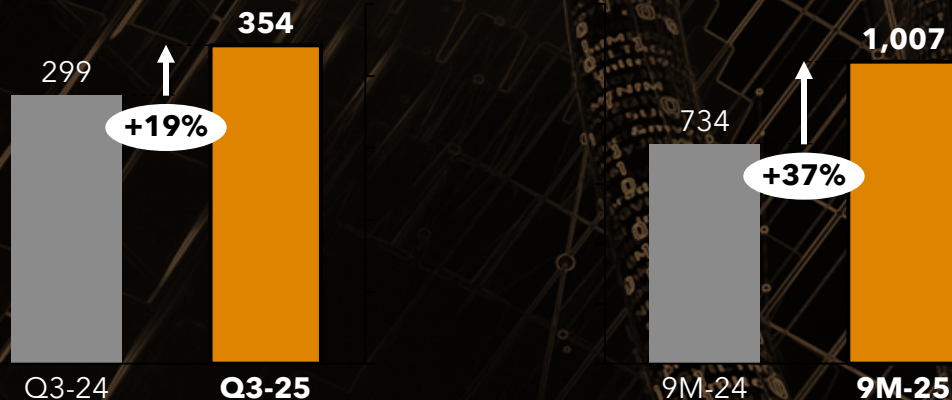
Gross Profit (SARm)



Gross Profit

- 9M and Q3 gross profit increased significantly if compared to previous year, as a result of increased volumes, product mix and efficiencies.
- Strategic orders selection methodology to maximize profitability and streamline order fulfillment and delivery time.

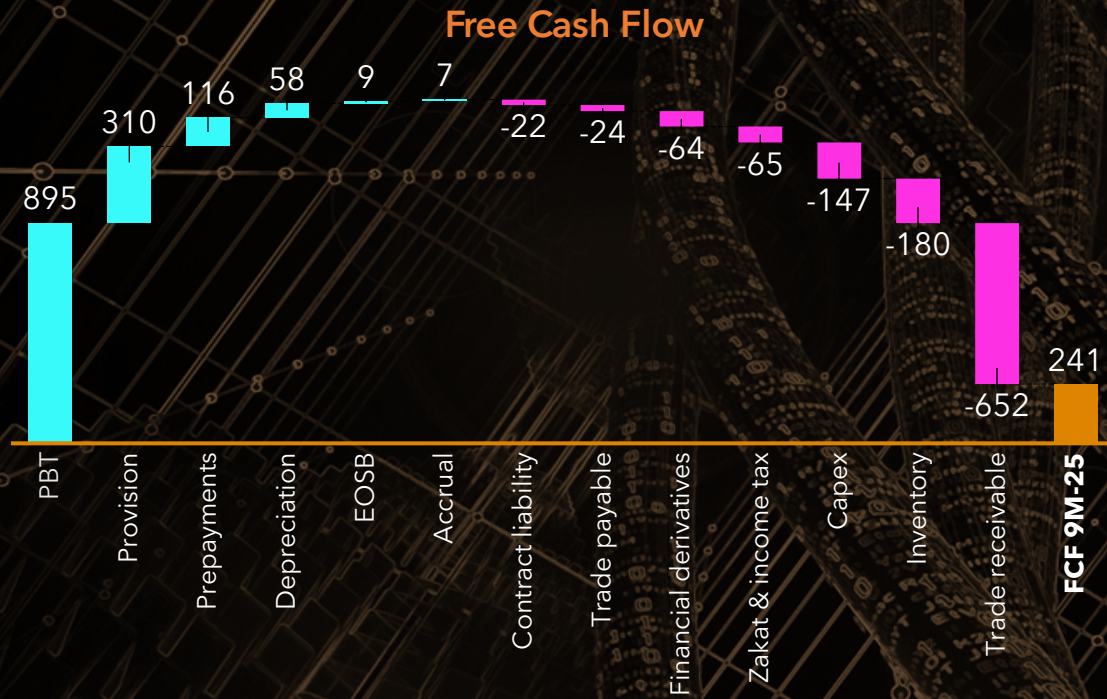
EBITDA (SARm)



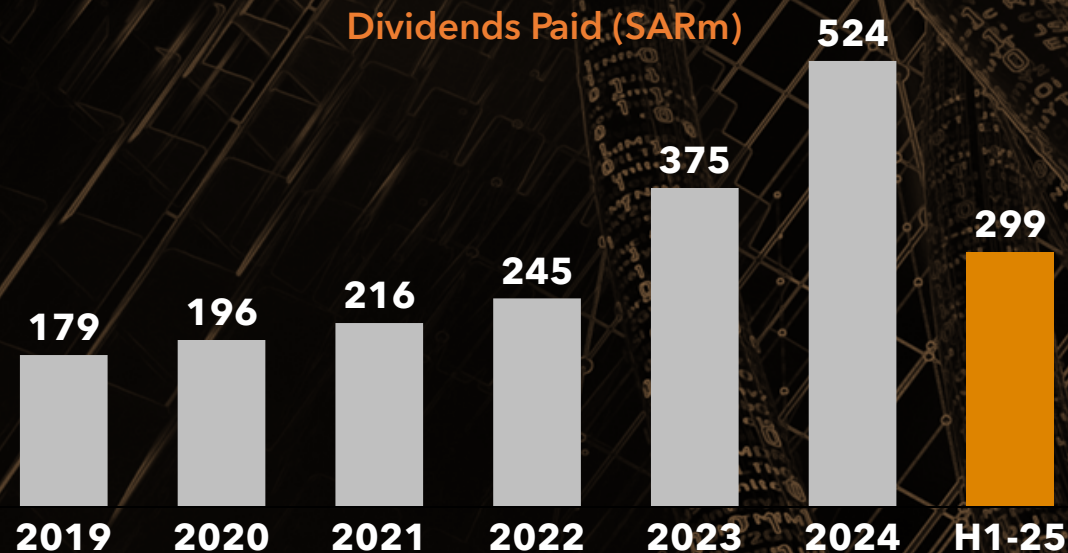
EBITDA

- Excellent EBITDA improvement due to high revenue, product mix and efficient cost control.

Positive free cash flow generation and consistent dividend payment

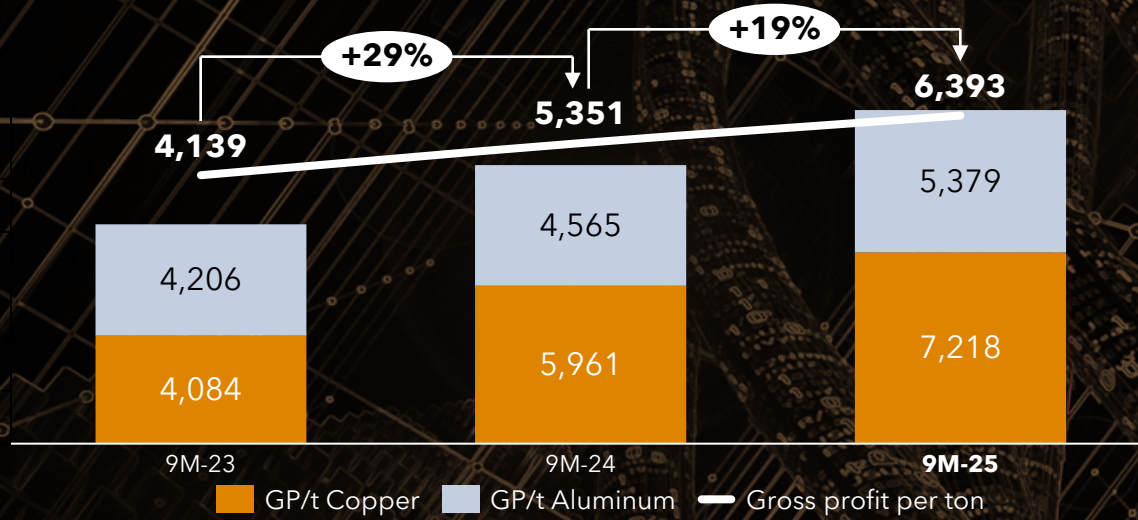


- Despite the increase in Receivables the group was able to generate a strong Free Cash Flow of SAR241 million mainly through strong profit and provision.
- Overall good Working Capital management.



- Consistent dividend payout throughout previous years, with 2024 dividend up by 40% over 2023 dividend.
- SR299m dividends paid for H1-25.

Hedging and pricing mechanisms neutralize commodity price fluctuations, granting stability to gross profit per ton



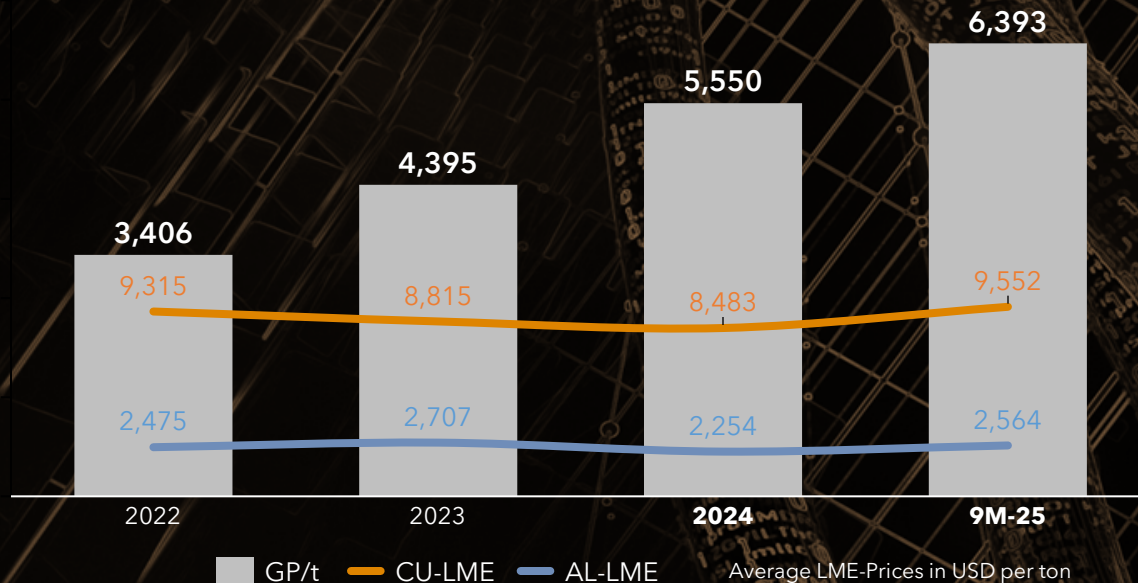
Main drivers:

- Operational Efficiencies due to high Utilization
- Solid demand on Transmission products
- Product mix
- Cost efficiencies, continuous improvement

Steady profitability despite volatile commodity prices

Commodity price fluctuations have no impact on profitability due to:

- Unique hedging mechanism
- Vigilant order selection
- Pricing strategy





Market Update & Business Strategy Refresh



RCG Strategy: Drive Growth and Performance



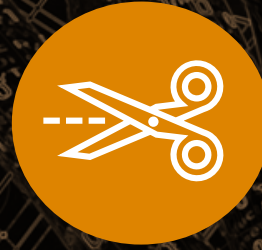
**Deepen And Expand
Geographical Footprint**

Leadership in
each target
market



**Products And
Services Innovation**

Complete cables
solutions



Cost Leadership

Focus on cost
and efficiency



Organisation

People and
processes

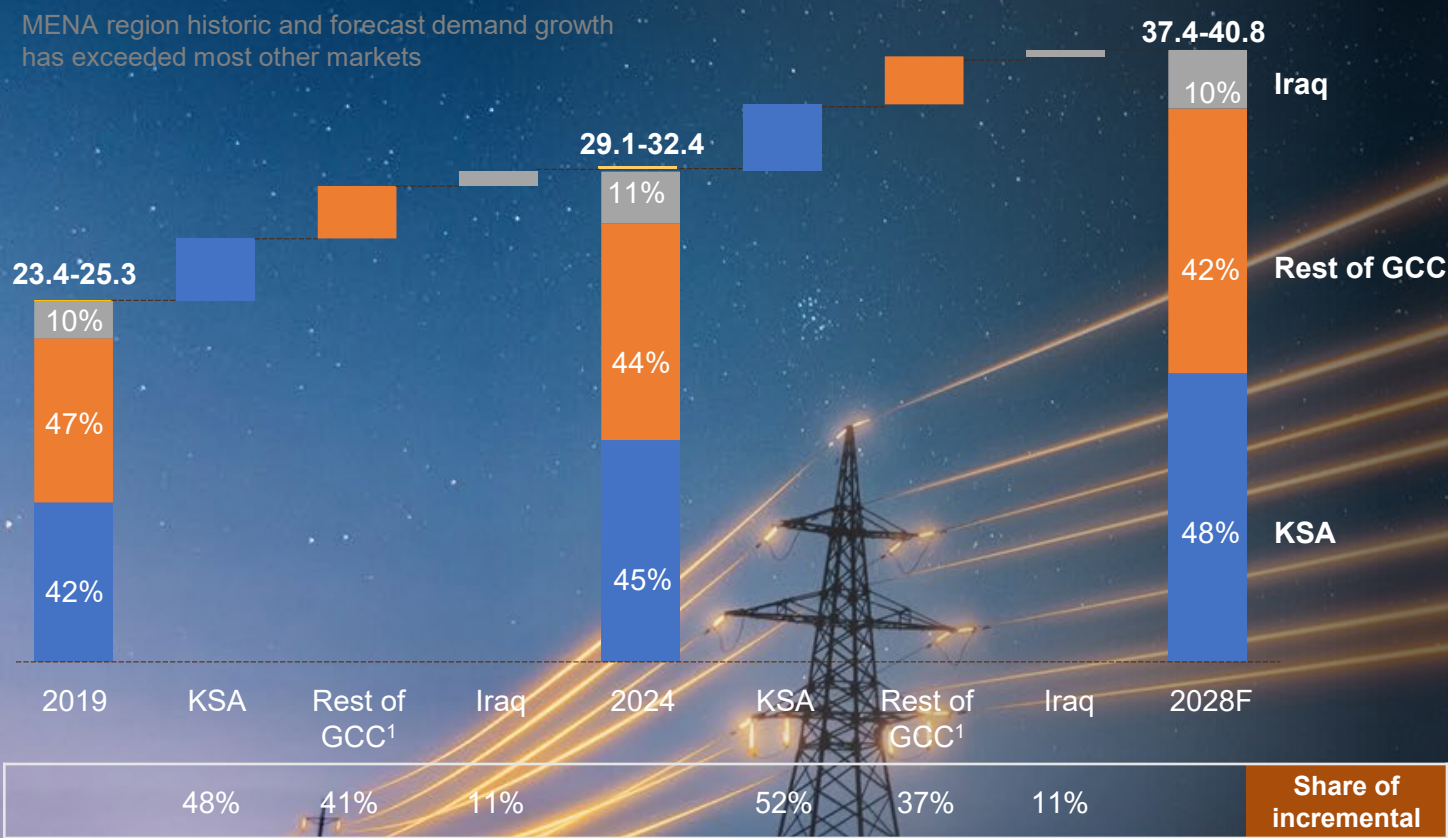


**Environment, Social And
Governance Focus**

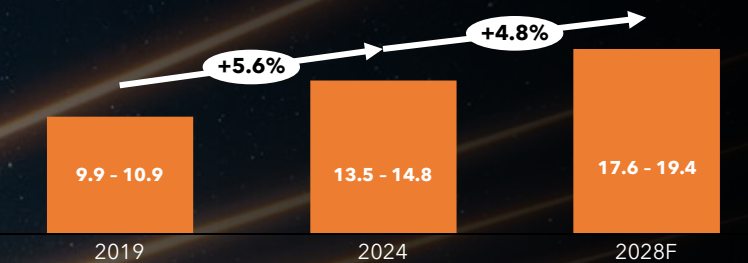
Responsible
corporate culture

Overall Demand in Target Markets Displays Attractive Growth Lead by KSA

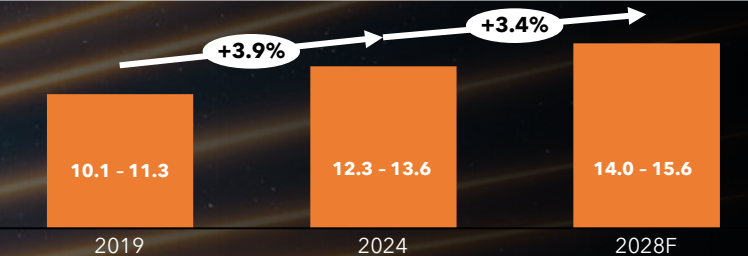
Wires and power cables market size in KSA, rest of GCC¹ and Iraq
2019 - 2028F (in SAR Billion)



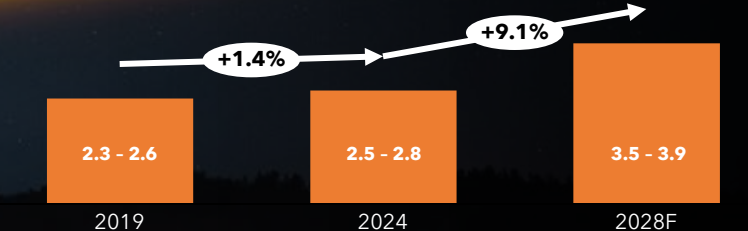
KSA Demand – SAR billion



Rest Of GCC – Demand SAR billion



Iraq – Demand SAR billion



1) GCC countries excluding KSA
Source: Arthur D. Little analysis, Frost & Sullivan Analysis, AdaptaCorp, Company Analysis

AAK Uzbekistan Acquisition : Company Overview & Strategic Rationale



*) Design Capacity is theoretical, actual capacity is subject to product mix

Syria: Renewed Market Presence and Strategic Partnership



Sales Office

Q2-25



Focused Sales

Government, Distribution Sectors



**MOU with Syrian
Sovereign Fund**

Q4-25



Market Expansion

Gate to new
market



**Revenue & Cost
Synergies**

Leverage RCG's
Capabilities &
Practices

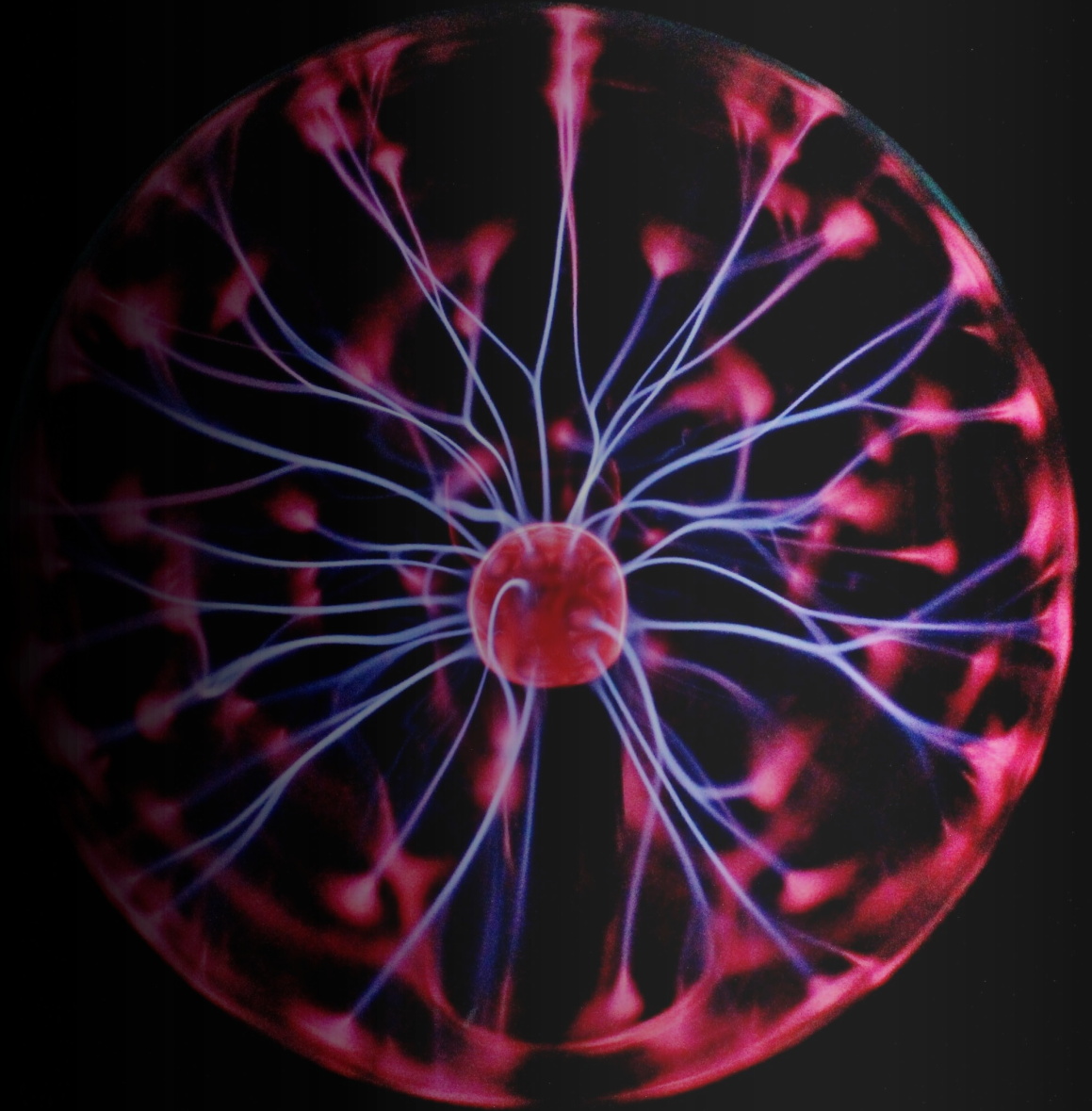


Financial Discipline

Phased Approach



2025 Upgraded Outlook



2025 Upgraded Management Outlook

UPGRADED RANGE OF OUR GUIDANCE

Expected CAPEX
SAR ~300 million

Net Profit
25% - 30% increase

DIVIDENDS



Backlog



Macro trends



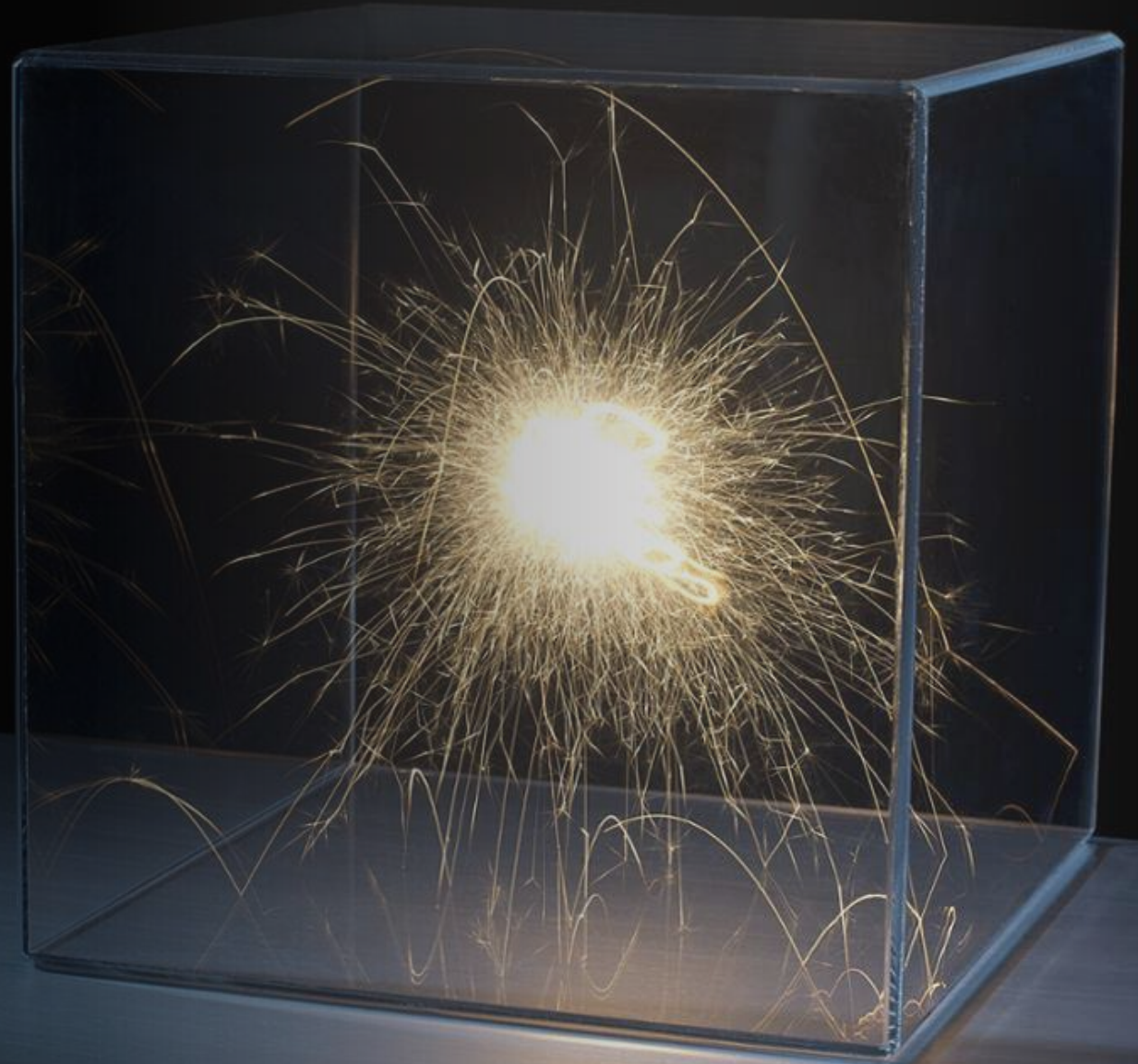
Product portfolio



Capacity

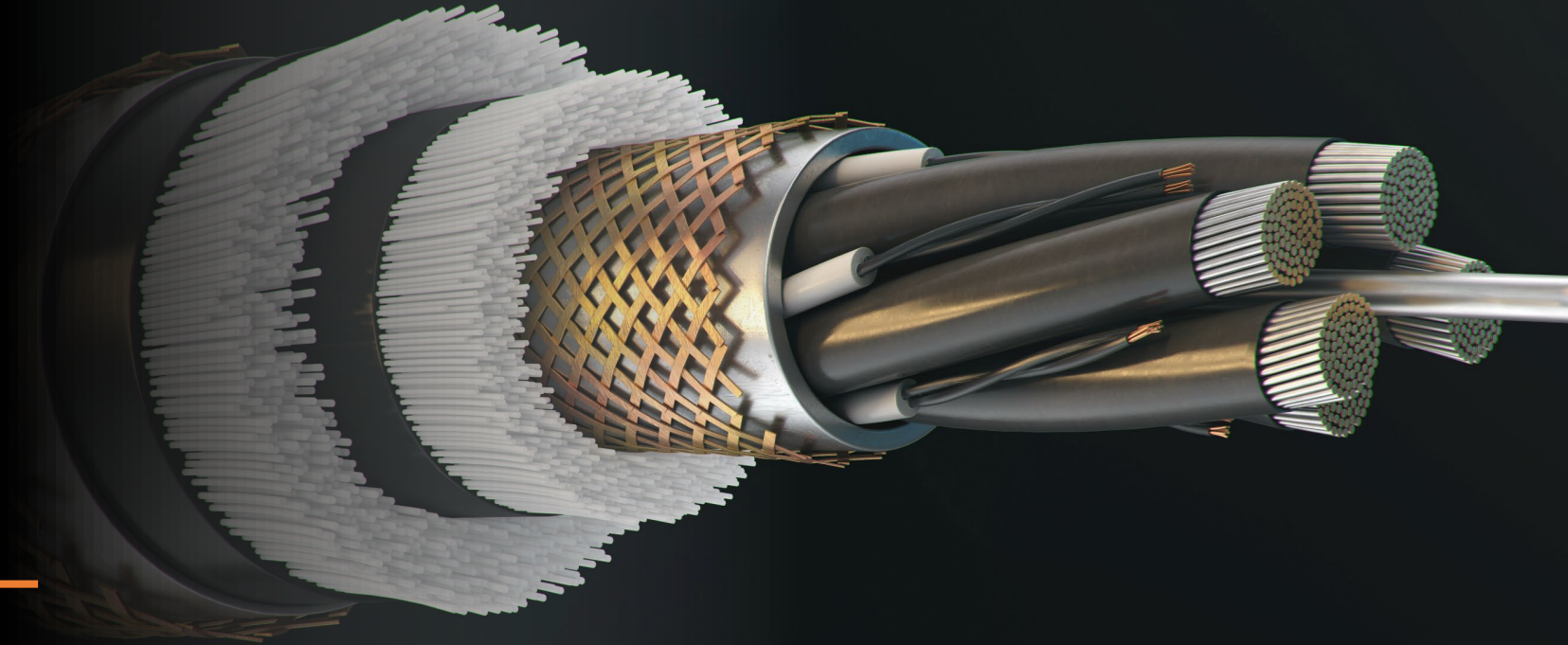
Management outlook reflects expectations that may happen in the future. These expectations are subject to risks, uncertainties and other factors, many of which are not under RCG's control. Actual results may differ materially from the what is expressed or implied in this section. RCG undertakes no obligation to revise any forward-looking statement to reflect changes to its expectations or any change in circumstances, events, strategy or plans.

Q & A



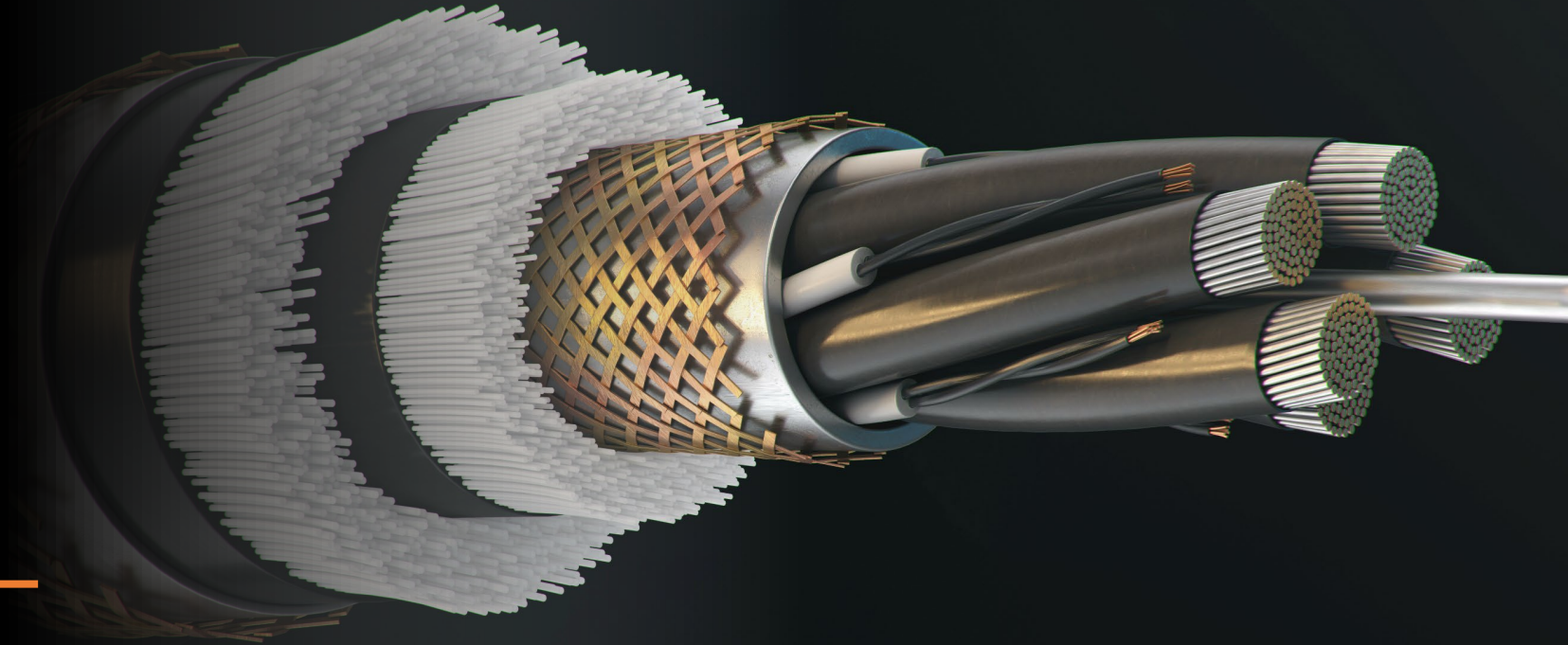


Thank you





Appendix



Summarized income statement (SARm)



	9M-24	9M-25	Var.	Var. %
Revenue*	6.512	7.936	1.423,6	21,9%
Direct costs*	-5.557	-6.619	-1.062,4	19,1%
Gross profit	955	1.317	361,2	37,8%
Operating expenses	-273	-367	-93,7	34,3%
Operating profit	682,33	949,79	267,5	39,2%
Finance charges	-66	-55	10,9	-16,6%
Other income / expenses & Zakat	-54	-78	-24,3	45,4%
Group net income	563	817	254,0	45,1%
Minority interest	-1	0	1,4	-118,2%
Net income - reported	564	817	252,6	44,8%

Condensed balance sheet (SARm)



	FY-24	9M-25
Fixed Assets	1,403	1,494
Investments	58	45
Other Long Term Assets	17	81
Current Assets	4,334	5,503
Total Assets	5,812	7,123
Borrowings	433	779
Long Term Liabilities	139	150
Current Liabilities (excl. borrowings)	2,616	3,285
Total Liabilities	3,188	4,214
Equity	2,624	2,909
Total Equity & Liabilities	5,812	7,123

Condensed cash flow statement (SARm)



	9M-24	9M-25	Var.	Var. %
Operating cash flow before working capital	1,054	1,326	271	25.7%
Net working capital movement	-626	-882	-256	40.8%
Cash generated from operating activities	428	444	16	3.7%
Finance charges, Zakat & income tax, EOSB	-40	-56	-16	40.4%
Net cash flow from operating activities	388	388	0	-0.1%
Investment in short term deposits	-99	-147	-48	48.4%
Net cash used in financing activities	-106	-15	92	-86.3%
Net decrease in cash and bank balances	183	226	44	23.8%
Cash at the beginning of the period	150	91	-59	-39.6%
Cash at the end of the period	333	317	-16	-4.8%



Riyadh Cables Group